This listing of claims will replace all prior versions, and listings, of claims in the application.

Listing of Claims:

1. (Currently amended) A method of providing a consumer with entertainment content coupled with updated advertisements for display on a player device capable of displaying content from multiple storage media and which is configured such that, when a customer inserts an entertainment content medium and an advertisement medium into the player device at the customer's location, the player device displays selected entertainment content and displays selected advertisements at insertion points located within in the entertainment content, comprising:

distributing entertainment content pre-recorded on entertainment content storage media for use with player devices at customer locations, said entertainment content media including insertion points for advertisements; ~~and~~

~~periodically~~ distributing advertisements pre-recorded on advertisement storage media to said customer locations~~, wherein at least some of said advertisements are updated before being distributed~~;

updating at least some of said advertisements with respect to previously distributed advertisements; and

periodically distributing said updated advertisements pre-recorded on advertisement storage media to said customer locations.

~~wherein said player devices are configured such that, when a customer inserts an entertainment content medium and an advertisement medium into the player device at the customer's location, the player device displays selected entertainment content pre-recorded on the entertainment content medium along with advertisements pre-recorded on the advertisement medium, wherein said advertisements are displayed at said insertion points.~~

2. (Previously presented) The method of claim 1 wherein the entertainment content storage media each have a hardware security feature such that display of the entertainment

DOCKET NO.: **OO-0071
Application No.: 10/072,471
Office Action Dated: August 7, 2008

PATENT
REPLY FILED UNDER EXPEDITED
PROCEDURE PURSUANT TO
37 CFR § 1.116

content is possible only upon a player device including hardware compatible with the hardware security feature.

3. (Previously presented) The method of claim 1 wherein the entertainment content storage media and the advertisement media each have a hardware security feature such that display of the entertainment content is possible only upon a player device including hardware compatible with the hardware security feature.

4. (Previously presented) The method of claim 3 wherein the entertainment content storage media and the advertisement media are disc storage media.

5. (Previously presented) The method of claim 1 wherein each of the advertisement media includes both advertisements and an index of entertainment content.

6. (Original) The method of claim 1 wherein the advertisements include current movie previews.

7. (Previously presented) The method of claim 6 wherein the player devices are further configured to display the movie previews before displaying the selected entertainment content.

8. (Original) The method of claim 1 wherein the advertisements include commercial advertisements other than movie previews.

9. (Previously presented) The method of claim 8 wherein the player devices are further configured to display the commercial advertisements other than movie previews before displaying the selected entertainment content.

10. (Canceled)

11. (Previously presented) The method of claim 1, further comprising generating customer preferences by analysis of customer characteristics, and wherein the player devices are configured to select a subset of the advertisements contained in the advertisement medium based upon customer preference.

12. (Previously presented) The method of claim 1, wherein each of the entertainment content media comprises a disc having a diameter greater than about 125mm and less than 300mm.

13. (Previously presented) The method of claim 1, wherein each of the entertainment content media comprises a disc having data recorded on a reflective layer and an optically transmissive coating having a total transmissivity at 635nm of less than the minimum transmissivity set forth as the standard DVD specification.

14. (Previously presented) The method of claim 1, wherein the player devices are further configured to permit downloading content from the player device to a second portable player device.

15. (Canceled)

16. (Canceled)

17. (Canceled)

18. (Currently amended) A player device configured to generate audio visual signals representative of entertainment content with advertisements, said device comprising:

a reader mechanism having a single optical pickup and configured to read entertainment content pre-recorded on a first medium and to read advertisements pre-recorded on a second medium, wherein said first medium is physically distinct from said second medium; and

DOCKET NO.: **OO-0071
Application No.: 10/072,471
Office Action Dated: August 7, 2008

PATENT
REPLY FILED UNDER EXPEDITED
PROCEDURE PURSUANT TO
37 CFR § 1.116

a processing mechanism configured to generate command signals inserting advertisements read by the reader mechanism from the second medium into entertainment content read by the reader mechanism from the first medium.

19. (Original) The player device of claim 18 wherein the first and second media are mechanically, sequentially moved for reading.

20. (Previously presented) The player device of claim 18, further comprising a memory device configured to store read data to permit seamless, uninterrupted insertion of advertisements into entertainment content.

21. (Previously presented) The player device of claim 18, further comprising an input for displaying signals from a broadcast content source and inserting advertisements prerecorded on the second medium into the broadcast content.

22. (Currently amended) A method of providing customers with entertainment content coupled with updated advertisements, comprising:

distributing to each customer (i) a plurality of entertainment content media, each entertainment content medium containing at least one of pre-recorded movies, music selections, information and other content, said entertainment content media including insertion points for advertisements, (ii) at least one advertisement medium containing a plurality of prerecorded advertisements, and (iii) a player device having the capability to read both the entertainment content and ~~advertising~~ advertisement media; ~~and~~

updating at least some of the advertisements on said advertisement medium with respect to previously distributed advertisements; and

periodically distributing to each of said customers said updated advertisements pre-recorded on an updated advertisement medium. ~~pre-recorded advertising on an updated advertisement medium, wherein at least some of the advertising on said updated advertisement medium is updated with respect to previously distributed advertising;~~

DOCKET NO.: **OO-0071
Application No.: 10/072,471
Office Action Dated: August 7, 2008

PATENT
REPLY FILED UNDER EXPEDITED
PROCEDURE PURSUANT TO
37 CFR § 1.116

wherein said player ~~devices are~~ <u>device is capable of displaying content from multiple storage media and is</u> configured such that, when a customer inserts an entertainment content medium and an advertisement medium into the player device, the player device displays selected entertainment content pre-recorded on the entertainment content medium along with advertisements pre-recorded on the advertisement medium.

23. (Previously presented) The method of claim 22 wherein each of the advertisement media contains an index of available entertainment content.

24. (Original) The method of claim 22 wherein the step of distributing items (i), (ii) and (iii) to customers is free of charge to the customer.

25. (Original) The method of claim 22 wherein the step of distributing items (i), (ii) and (iii) to customers is at a charge to customers not exceeding production and shipping costs.

26. (Original) The method of claim 22 wherein the customers are provided with the entertainment content and updated advertisements without the necessity of the customers having cable TV or direct broadcast satellite service.

27. (Previously presented) The method of claim 22, further comprising the step of inputting display signals from a broadcast source into the player device and inserting advertisements pre-recorded on the second medium into the broadcast content.

28. (Previously presented) The method of claim 22, further comprising the step of shipping entertainment content on first media to customers on a periodic basis.

29. (Original) The method of claim 28 wherein the periodic shipments are targeted to customer preferences.

DOCKET NO.: **OO-0071
Application No.: 10/072,471
Office Action Dated: August 7, 2008

PATENT
REPLY FILED UNDER EXPEDITED
PROCEDURE PURSUANT TO
37 CFR § 1.116

30. (Original) The method of claim 22 wherein the entertainment content includes insertion points for display of advertisements, and including the step of displaying advertisements from the second medium at the insertion points.

31. (Previously presented) The method of claim 22, further comprising the step of archiving first media.

32. (Previously presented) The method of claim 22, further comprising the step of charging customers for playing entertainment content on a pay-per-view basis.

33. (Previously presented) The method of claim 22, further comprising the step of charging customers for playing entertainment content on a subscription basis.

34. (Previously presented) The method of claim 22, further comprising the step of charging customers for playing entertainment content on a one time fee-to-own basis.

35. (Previously presented) The method of claim 22, further comprising the step of communicating information that is representative of the playing of entertainment content and advertisements between the customer and a system operator.

36. (Previously presented) The method of claim 22 wherein each of said player devices is further configured for to download content from the player device to a second portable player device.

37. (Original) The method of claim 36 wherein the portable player device includes a projector.

38. (Previously presented) The method of claim 22 wherein each of the player devices includes an optical reader configured to operate at a wavelength at or below 405nm.

DOCKET NO.: **OO-0071
Application No.: 10/072,471
Office Action Dated: August 7, 2008

PATENT
REPLY FILED UNDER EXPEDITED
PROCEDURE PURSUANT TO
37 CFR § 1.116

39. (New) The method of claim 1 wherein said entertainment content is encrypted such that the entertainment content can be displayed at the consumer's location only under pre-determined circumstances.

40. (New) The method of claim 39 wherein said pre-determined circumstances include a specific advertisement medium being inserted into said player device.

41. (New) The method of claim 40 further comprising the steps of:

verifying that said specific advertisement medium has been inserted into said player device by:

including a pre-determined first number on each of said periodically distributed advertisement media;

providing a second number to a player device at a customer location, wherein said player device is configured to read said first number on said advertisement media and execute a pre-determined algorithm on said first number and said second number, resulting in a third number;

determining an expected number by executing said pre-determined algorithm on the first number included with said specific advertisement medium and said second number;

receiving said third number from said player device; and

verifying that said received third number matches said expected number.